Amendment of FERA

S86. SHRI D. B. CHANDRE GOWDA; Will the Minister of FINANCE be pleased to state;

(a) whether in view of several loopholes in the provisions of FERA, Government have felt it necessary to amend the Act; and

(b) if so, what modifications Government propose in the Act?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Government of India have received suggestions for amending the Foreign Exchange Regulation Act. 1973 and these are being examined.

Violation of FERA by Jyotsna Holding'

887. SHRI D. B. CHANDRE GOWDA; Will the Minister of FINANCE be pleased to state;

(a) whether the Enforcement Directorate has established FERA violations against Jyotsna Holding in getting commission towards consultation charges from Sumitomo Corporation of Japan;

(b) if so, what are the details thereof; and

(c) what action has been taken by Government against Jyotsna Holding Company?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Based on their investigations, Directorate of Enforcement have initiated adjudication proceedings against M/s. Jyotsna Holding (P) Ltd., for alleged violation of the provisions of Sections 8(1), 14 and 47 of the Foreign Exchange Regulation Act, 1973.

Housing: Schemes of UTI

888. SHRI D. B. CHANDRE GOWDA; Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently approved a newly formulated housing scheme of the Unit Trust of India (UTI) known as Housing and Construction Unit Scheme;

(b) if so, what are the salient features of the said scheme of the UTI;

(c) whether the investors in the UTI will get housing facility under this scheme; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d) Government have recently conveyed approval to the Unit Trust of India (UTI) for the launching of the Housing and Construction Development Fund. The salient features of the Fund are given below:

(i) The Fund proposes to initially raise Rs. 50 crores. If the response is encouraging the size of the Fund might be increased to Rs. 100 crores.

(ii) Only individuals, registered cooperative societies and nonresident Indians will be eligible to participate In the Fund. The minimum subscription to the Fund will be Rs. 1000/.

(iih The Investment objective of the Fund will be to provide attractive return to the Unit holders through capital appreciation and dividend by Investing in land and construction activities.

(iv) The Fund will be managed by the UTI with the Housing Development Finance Corporation Ltd. acting as Advisore.

The public, who invest in the scheme, are expected to benefit by way of) income and appreciation related to investment in housing and construction activities under the scheme.

Duty Concession on Imports of Medical and Surgical Instruments

889. SHRI SURENDRA SINGH THAKUR: Will the Minister of FINANCE be pleased to state:

(a) what are the guidelines and priorities for grant of duty concession in imports;

(b) whether medical and surgical instruments have been included in the list for such duty concession;

(c) if so, what are the details of such instruments; and

(d) if the reply to part (b) above be in the negative, whether Government propose to grant duty concession for the import of medical and surgical instruments?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA); (a) Duty concessions in the case of imported goods are granted keeping in view various objectives such as economic growtn, equity, protection to domestic indus-try, providing various public services at reasonable costs and simplicity in administration.

(b) and (c) Specified life-saving and sight-saving medical equipments are allowed to be imported duty free in terms of Notification Nos. 208-Customs dated the 22nd September, 1981 and 144-Customs dated the 27th April, 1988 A large number of specified medical and surgical equipments are allowed to oe imported at concessional rate of customs di tty of 40 per cent as provided in Notification No. 65-Customs dated *the 1st* March, 1988. Hospital equipments imported by Government con-trolled and other charitable hospitals are allowed to be imported duty free in terms of Notification Nos. 63 and 64-Customs dated the 1st March, 1988.

(d) Does not arise.

Trade between India and the USSR

890. SHRI SURENDRA SINGH THAKUR: Will the Minister of COM-MERCE be pleased to state:

(a) whether it is a fact that India has an adverse balance of trade with the USSR;

(b) if so, what are the details of adverse balance of trade for the last three years;

(c) whether Government have any plan to boost up trade with the USSR to overcome adverse balance of trade;-
End

(d) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (d) India is actually having a favourable balance of trade with the USSR as may be seen from the following tabular statement giving India's trade position with the USSR during the last three years:

(Rs. in crores

lmports	Exports	Balanceof . trade
1985-86		
1677.51	2005 69	(+)328 18
1986-87 (P)		
1072.2!	1872 88	( )800 67
1987-88		
1278-67	(P) 1970 86	(+)1692.19

P— Provisional figures.... Source:. DGCJ&S. Calcutta.

Sinces India's trade *with* the USSR is being conducted on a balanced basis, both the countries are continuously